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United States Department  
of Agriculture  
Office of Public Affairs  
Washington, D.C. 20250

# News Releases and other News Material

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For further information about this booklet contact Charles Hobbs, editor, News Division, Office of Public Affairs, Room 406-A, U.S Department of Agriculture, Washington, D.C. 20250 or call (202) 720-4026.

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## News Releases-

Release No. 0073.94

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### USDA PROPOSES CHANGES IN COTTON CLASSING REGULATIONS

WASHINGTON, Jan. 28--The U.S. Department of Agriculture is proposing to amend regulations governing cotton classification services provided to cotton growers. The proposed amendments are aimed at increasing the accuracy of fiber quality measurements performed by high-volume, precision instruments, commonly referred to as "HVT" classifications.

Lon Hatamiya, administrator of USDA's Agricultural Marketing Service, said the proposal would modify the current classification system by adding a new procedure known as module averaging. The proposed procedure would ask cotton ginner to furnish AMS a module or trailer identification number for each bale of cotton for which a sample is submitted for classification.

Under the proposal, quality factor determinations for each bale in a module or trailer group would be averaged. Then the average value for each factor would be assigned to each bale. This approach to assigning quality measurements uses sound statistical principles to more accurately describe the quality of cotton.

This proposal is being offered after concluding three successful years of module averaging in a voluntary pilot project, said Hatamiya.

The secretary of agriculture's advisory committee on cotton marketing has recommended using the module averaging procedure for the entire 1994 crop.

Details of the proposed rule are scheduled for publication in the Jan. 31 Federal Register. Copies and additional information are available from Craig Shackelford, Cotton Division, AMS, USDA, Rm. 2641-So. Bldg., P.O. Box 96456, Washington, D.C., 20090, (202) 720-2259.



Release No. 0074.94

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### USDA CHANGES HEARING DATES FOR MARKETING ORDER PROPOSAL FOR TART CHERRIES

WASHINGTON, Jan. 28--The U.S. Department of Agriculture has announced a change in the dates for a public hearing on a proposal for a federal marketing agreement and order for tart cherries grown in Michigan, New York, Pennsylvania, Oregon, Utah, Washington and Wisconsin.

Hearing sessions will be held in Portland, Ore., Feb. 15-17 at the Airport Holiday Inn, 8439 Northeast Columbia Blvd. All sessions will begin at 9 a.m. This announcement supersedes a Dec. 23 program announcement that listed Feb. 14-16 as the Oregon hearing dates.

Previous public sessions were held Dec. 15-17 in Grand Rapids, Mich.; Jan 10-11 in Rochester, N.Y.; and Jan. 13 in Provo, Utah.

Lon Hatamiya, administrator of USDA's Agricultural Marketing Service, said the Cherry Marketing Institute, a major industry organization, submitted the proposal on behalf of interested cherry growers and processors (handlers). The proposed agreement and order would authorize volume regulation and grade, size, maturity, pack and container regulations, including mandatory inspection. The proposal also would authorize production, processing and marketing research and promotion projects.

Growers, handlers, processors and others who wish to present evidence on the proposal but were unable to attend any of the previous sessions should attend the Portland session. After the hearing process is completed, USDA will evaluate the hearing record and prepare a recommended decision for public comment. "The secretary of agriculture would then decide whether or not to call for a referendum to determine producer and processor support for the proposed order," Hatamiya said.



The order would become effective only if approved by at least two-thirds of those growers voting in the referendum, or by those growers producing at least two-thirds of the volume of tart cherries represented in the referendum and grown during a period set by the secretary of agriculture. The order must be approved by processors voting in the referendum who processed more than 50 percent of the total volume of all processed tart cherries during the representative period. Authority for the order rests in the Agricultural Marketing Agreement Act of 1937, Hatamiya said.

Copies of the notice of hearing published in the Nov. 30 Federal Register, and amendments published Dec. 23 and scheduled for publishing Jan. 31, may be obtained from Gary D. Olson, Officer-in-Charge, Northwest Marketing Field Office, 1220 SW Third Ave., Room 369, Portland, Ore. 97204, telephone (503) 326-2724 or FAX (503) 326-7440; or from Kenneth G. Johnson, Marketing Specialist, Marketing Order Administration Branch, Fruit and Vegetable Division, AMS, USDA, Washington, DC 20090-6456, telephone (202) 720-5127 or FAX (202) 720-5698.



Release No. 0078.94  
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#### **USDA ANNOUNCES 1994 RICE FINAL ACREAGE REDUCTION PROGRAM AND OTHER PROVISIONS**

WASHINGTON, Jan. 31--The final acreage reduction requirement for the 1994 crop of rice will be zero percent, Grant Buntrock, executive vice president of the U.S. Department of Agriculture's Commodity Credit Corporation announced today.

A preliminary acreage reduction requirement of zero percent was announced December 1, 1993.

For the 1994 rice crop, the target price will be \$10.71 per hundredweight and the national average support rate will be \$6.50 per hundredweight. The differential between whole kernel milled rice price support rates is established at \$1.00 per hundredweight, unchanged from the 1993-crop level. Whole kernel milled rice price support rates are \$10.72 per hundredweight for long grain and \$9.72 for medium and short grain. The broken kernel rate for all rice classes is \$5.36 per hundredweight.

For the 1994 crop, the deficiency payment rate will be based on the lower of the calendar year price or the 5-month price, adjusted by an amount that is fair and reasonable in relation to wheat and feed grains. The five-month rice price adjustment has been established at \$0.27 per hundredweight. This adjustment value reflects the same percentage relationship that applies to wheat and feed grains: 2.5 percent of the target price.

Other provisions announced today are:

- There will be no discount applied to the price support rates for aromatic rice.
- The discounts to price support rates for grades of rice lower than grade #2 are unchanged from the discounts applicable to the 1993 crop of rice.
- Acreage prevented from being planted below the minimum planting requirement (50 percent of the maximum payment acreage) is not eligible for deficiency payments due to a change in statutory authority.
- Following past practices, any marketing loan gains will be paid to eligible producers in cash.



Release No. 0080.94  
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### **USDA REOPENS COMMENT PERIOD ON FEDERAL ALMOND MARKETING ORDER**

WASHINGTON, Feb. 2--The U.S. Department of Agriculture is reopening the period for commenting on advertising provisions of the federal marketing order for almonds grown in California.

Lon Hatamiya, administrator of USDA's Agricultural Marketing Service, said the period was being reopened because of a recent federal appeals court decision finding the marketing order's advertising program as it operated in the 1980's was constitutionally flawed.

USDA had substantially revised the marketing order's advertising program in an interim final rule published in the Aug. 17, 1993, Federal Register, with a 30-day comment period. However, that publication date preceded the appellate decision, Hatamiya said.

The Aug. 17 rule broadened the scope of creditable promotion and advertising activities available to the order's handlers (shippers). It also expanded the order's managing board's generic promotion program.

Hatamiya said comments on the almond program should address the potential effect of the recent court decision on the order's advertising program.

USDA will consider the comments received when it formulates a final rule on the almond marketing order's advertising program, said Hatamiya.

Details of the proposal were published in the Jan. 31 Federal Register. The new comment period will end on Mar. 2. For copies and additional information, including copies of the Aug. 17 rule, contact Kathleen M. Finn, Marketing Order Administration Branch, Fruit and Vegetable Division, AMS, USDA, rm. 2536-S, P.O. Box 96456, Washington, D.C. 20090-6456, (202) 720-1509, FAX (202) 720-5698; or Martin Engeler, California Marketing Field Office, Fruit and Vegetable Division, AMS, USDA, 2202 Monterey Street, Suite 102-B, Fresno, Calif. 93721, (209) 487-5901, FAX (209) 487-5906.



Release No. 0086.94  
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### **USDA TO TESTIFY ON WEALTHY FARMERS' DELINQUENT LOANS**

WASHINGTON, Feb. 2--The Department of Agriculture's Farmers Home Administrator, in testimony before a Senate committee, will detail an aggressive policy to deal with wealthy farmers who are millions of dollars delinquent on their FmHA loans, according to Agriculture Secretary Mike Espy.

Espy expressed his determination to change the agency so all farmers are treated fairly. "While we want to give FmHA borrowers every opportunity to succeed, especially small disadvantaged farmers, we will not tolerate farmers abusing the system to avoid repaying their loans," Espy said.

FmHA Administrator Michael V. Dunn is scheduled to testify before the Agriculture Credit Subcommittee of the Senate Committee on Agriculture, Nutrition, and Forestry. The hearing will be at 10:00 a.m. Thursday, February 3, 1994 in room 332 of the Russell Senate Office Building.

Dunn is expected to talk about steps being taken to address large delinquent loans, especially those made over ten years ago, which were the subject of recent publicity.

"In our first year in office, this Administration has taken a number of steps to solve the large delinquent loan problem. I welcome the chance for us to explain how we got to this point and what we are doing about it," Espy said.

Some of the FmHA actions Dunn will describe in detail include: state plans to resolve large delinquent accounts; efforts of the Large Loan Servicing Groups; steps to beef up litigation efforts; improved coordination with the Office of Inspector General; and most importantly, a return to the agency's basic mission of supervised credit.

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**NOTE TO EDITOR:** Video and audio excerpts from FmHA Administrator Mike Dunn's testimony will be available on USDA Radio Newslines after 5p.m. EST at 202-488-8358 and on satellite, coordinates, C-band Satellite Galaxy 7, Transponder 9, Audio 6.2 or 6.8 at 3:45 p.m. EST.

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Releases No. 0087.94  
Mary Dixon (202)720-4623

#### **SHEARER NAMED TO CONGRESSIONAL RELATIONS POST AT USDA**

WASHINGTON, Feb. 3--P. Scott Shearer has been named as deputy assistant secretary of agriculture for congressional relations, Secretary of Agriculture Mike Espy has announced.

As deputy assistant secretary, Shearer will help direct legislative efforts of the Department with Congress.

"Scott Shearer brings to USDA considerable experience in administrative, managerial, government relations, and legislative positions in both state and national arenas that is of great value to the Department," Espy said.

Before joining USDA, Shearer served as director of legislative affairs for Zeneca, Inc., a bio-science, agricultural seed and pharmaceutical firm in Wilmington, Del. Prior to that he was director of government relations for Halfpenney, Hahn, Roche & Marchese, a Washington-based law firm.

In the mid-1980s, Shearer was the executive director of the National Corn Growers Association in St. Louis, Missouri, responsible for the implementation, coordination, and management of the corporate relations programs.

Between 1981 and 1984, Shearer was the legislative assistant to Senator Alan Dixon (Ill.), responsible for developing legislative and policy initiatives on domestic and international agricultural issues. Previously, he served in Illinois state government and with the Cooperative Extension Service at the University of Illinois.

A native of Villa Grove, Ill., Shearer received B.S. and M.S. degrees from the University of Illinois in agriculture economics. In 1990 Shearer was president of the St. Louis Agri-Business Club and in 1993 was chairman of The Illinois Group.

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Release No. 0089.94  
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#### **ADMINISTRATION PLEDGES SETTLEMENT OF DELINQUENT LOANS TO WEALTHY FARMERS**

WASHINGTON, Feb. 3--Farmers Home Administrator Michael V. Dunn expressed outrage before a Senate committee that wealthy farmers have been able to avoid repayment of government loans and said that Agriculture Secretary Mike Espy has begun to take steps to collect the outstanding debts.

"I want to say at the outset that the Clinton Administration is outraged that some wealthy individuals are not satisfying their debts to the government," Dunn said. "I pledge to you that we at FmHA will do everything humanly and legally possible to collect the debts that are owed to the American people," he said.



In testimony before the Agriculture Credit Subcommittee of the Senate Committee on Agriculture, Nutrition and Forestry, Dunn outlined how the large delinquent loan problem developed and what the agency is doing to deal with it.

Large, million dollar loans can no longer be made because laws and regulations have been strengthened. Loans by FmHA can now only be made to family farmers who cannot get credit from traditional sources. Also there is now a limit of \$500,000 for emergency disaster loans, which, in the past, had no limits.

"Although we are all well aware that these large loans cannot be repeated, every effort must be made to clean up the mess created in the last decade," Dunn said. "We at FmHA have already begun this process."

He said a Large Loan Servicing group, staffed by legal and financial experts, had already been able to reduce the number of large delinquent loans, those of \$1 million or more, from 1,400 to 971. In addition, every FmHA state office now has a plan to deal with large delinquent accounts.

Dunn added that the FmHA is also working more closely with the USDA Office of Inspector General and procedures are now in place to contract with investigation firms which have already uncovered instances of fraud.

There are many reasons why farmers with large loans became delinquent, including severe droughts, floods, falling prices and falling land values.

Many loans remained delinquent because court orders prevented FmHA from foreclosing from 1983 to 1989. Congress passed legislation in 1987 that detailed how delinquent loans should be handled. The agency was required to start all over under new regulations in dealing with the large loan delinquencies.

"We must now return to our real mission--providing credit to small, limited resource farmers who cannot secure credit elsewhere," Dunn said. "This can only be done through supervised credit. Supervised credit will allow FmHA to prevent defaults by building quality up front."



New Release 0091.94

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## **REVIEW OF SPECIAL TURKEY INSPECTION SYSTEM RESULTS IN CORRECTIVE ACTIONS AT PLANTS**

WASHINGTON, Feb. 4--Agriculture Secretary Mike Espy today released the findings of special reviews of turkey plants around the nation as part of his continuing efforts to update the inspection program and heighten enforcement.

When needed, corrective action was taken at several plants; and Espy has directed the Food Safety and Inspection Service to make a number of improvements to The New Turkey Inspection System (NTIS), which is a special type of turkey inspection began in 1985. The reviews were conducted in October and November in 26 plants operating under NTIS. The reviewed plants process about 64 percent of the nation's turkey supply.

"The report on The New Turkey Inspection System will help us make improvements to the system," said Espy, who has initiated the use of unannounced special reviews of both meat and poultry plants. "Our reviews allow us to pinpoint plants where immediate corrective action is necessary and helps us identify the changes needed to improve our overall system.

"These reviews, conducted by a team based in Lawrence, Kansas, are a tool that we are using to ensure integrity and quality in our nation's meat and poultry inspection system. Our New Turkey Inspection System review showed us that the turkey supply is safe overall but further changes must be made to improve the system.

"Some of our findings and criticisms of NTIS by inspectors are serious and we must implement changes. As we move the meat and poultry inspection system toward a system based on science, we must be diligent and stringent with our current system. We have the safest food supply in the world but special reports like this are reminders that we must make improvements."

Last year, Espy, who has made numerous changes to the meat and poultry inspection system, had announced the results of a special review of 90 beef slaughter plants. During that review, operations were temporarily halted at 30 plants and not allowed to resume until problems found by the review teams were corrected.

In 16 of the 26 NTIS plants reviewed, conditions indicated processes were adequately controlled and inspection procedures were effective. Of the remaining 10 plants, seven had findings that indicated a need for stronger emphasis in quality control; and three had serious findings that involved products ready for shipment.

The 16 plants where processes were adequately controlled and inspection procedures were effective were: West Central Turkeys, Inc., Pelican Rapids, Minn. (Establishment Number P-403); Jennie-O-Foods, Inc., Melrose, Minn. (Establishment Number P-544); Jennie-O-Foods, Inc., Wilmar Minn. (Establishment Number P-551); Jerome Foods, Inc., Faribault, Minn. (Establishment Number P-579); Simmons Poultry Farms, Inc., Altura, Minn. (Establishment Number P-706); Iowa Turkey Products, Inc., Postville, Iowa (Establishment Number P-7669); V.H. Cooper, Inc., St. Henry, Ohio (Establishment Number P-2130); Rocco Turkeys, Inc., Dayton, Va. (Establishment Number P-18); House of Raeford, Raeford, N.C. (Establishment Number P-239); Wampler-Longacre, Inc., Hinton, Va. (Establishment Number P-1096); Rocco Turkeys of North Carolina, St. Pauls, N.C. (Establishment Number P-17539); Cargill, Inc., Ozark, Ark. (Establishment Number P-511); Cargill, Inc., Springdale, Ark. (Establishment Number P-963); Plantation Foods, Inc., Waco, Texas (Establishment Number P-635); Cargill, Inc., California, Missouri (Establishment Number P-961); Foster Turkey Products-Turlock, Turlock, Calif. (Establishment Number P-210).

Observations in the seven plants where there was a need for stronger emphasis in quality control ranged from lighting problems to congested conditions that could lead to product safety problems. These plants were: Carolina Turkeys, Mt. Olive, N.C. (Establishment Number P-7345); Jerome Foods, Inc., Barron, Wis. (Establishment Number P-190); Perdue Foods, Inc., Washington, Ind. (Establishment Number P-286); Bilmar Foods, Storm Lake, Iowa (Establishment Number P-757); Bilmar Foods, Zeeland, Mich. (Establishment Number P-261); Wampler-Longacre Turkey, Inc., Harrisonburg, Va. (Establishment Number P-6710); Maroni Feed Processing Department, Maroni, Utah (Establishment Number P-1049).

The three plants where serious findings were identified, including fecal contaminated product ready for shipment, were: Zacky Farms, Fresno, Calif. (Establishment Number P-312); Empire Kosher Poultry, Inc., Mifflintown, Penn., (Establishment Number P-1015); and Round Hill Foods, Inc., New Oxford, Penn. (Establishment Number P-244).

The review announced today was the first on-site assessment of NTIS ever conducted. While 26 of the plants in the nation operate with NTIS, the remaining 64 operate under the traditional turkey inspection system. An inspector inspects every turkey under both systems. The lines are slower under the traditional system while under NTIS, companies are generally allowed to speed up their lines but must submit and meet quality control plans.

Espy said that due to the reviews and the suggestions made by 128 federal inspectors at the NTIS plants he has directed the Food Safety and Inspection Service to make several improvements to the system.

"Several of the comments of NTIS by inspectors showed us clearly that we need to make improvements," said Espy. "Each observation shared with our review team by the inspectors will help us know where change is needed."

Some of the improvements planned for the NTIS due to the special report include:

- \*Inspectors will be retrained in NTIS.

- \*Guidelines will be developed to terminate NTIS program approvals in plants that are not capable of operating their programs to meet inspection standards.

- \*Follow-up visits will be made at plants identified with serious problems.

- \*Inspectors-in-charge will receive additional instructions and training on how to institute enforcement measures when there are indications the quality control process is lacking, even though presentation checks may check.

- \*Product standards used in NTIS will be re-evaluated and improved.



Besides the initiation of independent unannounced reviews, some of the other improvements to the meat and poultry inspection system made by Espy include: the acceleration of the development and research for scientific tests to detect pathogens; the hiring of more than 400 new inspectors; the hiring of a liaison from USDA placed at the Centers For Disease Control and Prevention to investigate and trace E. coli 0157:H7; reinforced mandatory trimming of all fecal ingesta and milk contamination in beef slaughter operations; and the call for voluntary use of safe handling and cooking labels for raw meat and poultry products while the regulatory process to mandate such labels is underway.

(Copies of the report are available at FSIS, Room 1164 USDA South Building, 14th and Independence, S.W., Washington D.C. 20250 and in Room 213-A, USDA Administration Building.)



Release No. 0096.94  
Bruce Merkle (202) 720-8206

#### **USDA ANNOUNCES FINAL DEFICIENCY PAYMENTS FOR 1993-CROP UPLAND COTTON**

WASHINGTON, Feb. 7--Eligible upland cotton producers will receive approximately \$455 million in final deficiency payments for the 1993 crop of upland cotton, according to Grant Buntrock, executive vice president of the U.S. Department of Agriculture's Commodity Credit Corporation.

Deficiency payments are required when the national average market price received by producers during the calendar year, which includes the first five months of the marketing year, is below the established target price.

The payment rate is based on the difference between the target price and the higher of the calendar year national average market price or the base quality price support loan rate. The 1993 calendar year national average market price is 54.3 cents per pound which is higher than the 52.35 cents per pound base quality loan rate. The deficiency payment rate for the 1993 crop is 18.6 cents per pound -- the difference between the target price of 72.9 cents per pound and the calendar year price.

Advance payments totaling 10.275 cents per pound were made earlier to eligible producers requesting the advance payment. The estimated payment rate (20.55 cents per pound), on which the advance payment was based, will be used in making payments to producers who designated acreage as Conserving Use acreage. The final payment for planted acreage will be 8.325 cents per pound.

The final deficiency payments will be made in cash through county offices of USDA's Agricultural Stabilization and Conservation Service.



Release No. 0097.94  
Bruce Merkle (202) 720-8206

#### **USDA ANNOUNCES FINAL DEFICIENCY PAYMENTS FOR 1993-CROP RICE**

WASHINGTON, Feb. 7 -- Eligible rice producers will receive about \$600 million in deficiency payments for the 1993 crop of rice, according to Grant Buntrock, executive vice president of the U.S. Department of Agriculture's Commodity Credit Corporation.

Deficiency payments are required when the national average market price received by producers during the first five months (August through December) of the marketing year is below the established target price.

The total payment rate is based on the difference between the target price (\$10.71 per hundredweight) and the higher of the market price or the national average price support rate of \$6.50 per hundredweight.

The average market price during the first five months of the marketing year was \$6.73 per hundredweight, resulting in a total deficiency payment rate of \$3.98 per hundredweight. An advance payment of \$2.105 per hundredweight was made earlier to eligible producers who requested advances, resulting in advance payments of approximately \$303 million. The estimated payment rate (\$4.21 per cwt.) on which the advance payment was based will be used in making payments to producers who designated acreage as Conserving Use acreage.

The final payment for planted acreage will be \$1.875 per hundredweight. The final deficiency payments will be made in cash through county offices of USDA's Agricultural Stabilization and Conservation Service.



Release No. 0098.94

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#### **EMERGENCY PROGRAM TO RETURN 25,000 ACRES TO WETLANDS IN MIDWEST**

WASHINGTON, Feb. 7--An estimated 25,000 acres of midwestern cropland will be returned to wetlands under the Emergency Wetlands Reserve Program (EWRP), the U.S. Department of Agriculture announced today.

With the \$15 million allocated for the program, USDA's Soil Conservation Service will purchase easements from landowners who agree to restore farmed, converted, or potential wetlands on about 25,000 acres in eight states. Landowners whose bids are accepted will be notified by February 25.

"This is a win-win program," said Paul W. Johnson, chief of SCS, which administers the program. "We'll be enhancing the environment, increasing the water-holding capacity of floodplains, and giving midwestern landowners an opportunity to recoup some of their losses from the disastrous floods."

When the land is accepted into the program, SCS and the Fish and Wildlife Service, U.S. Department of the Interior, will determine what, if any, restoration work is needed and develop a wetlands plan of operation for the acreage. After the plan is complete, the landowner will file the easement at the county records office. As soon as the easement is filed, the landowner can receive easement payments. If no restoration work is required on the land, then the landowner will receive faster payment.

The EWRP is a voluntary program that offered agricultural landowners in the flooded Midwest a chance to restore and protect wetlands on their property through permanent easements. The seven states eligible are Illinois, Iowa, Missouri, Nebraska, Minnesota, Kansas, and South Dakota.

Following is a state-by-state report:

State	Acres Submitted	Estimated Acres Accepted	Estimated Funds To Be Awarded
Missouri	21,642	12,300	\$5,570,000
Iowa	13,057	5,600	\$4,230,000
South Dakota	4,736	4,300	\$1,800,000
Illinois	1,702	1,300	\$1,500,000
Kansas	1,664	1,200	\$1,100,000
Minnesota	646	500	\$ 600,000
Nebraska	233	200	\$ 200,000
Total	43,680	25,400	\$15,000,000



To assure maximum benefits, SCS state conservationists, in consultation with others, used a ranking process to evaluate EWRP applications. Criteria used in the ranking included protection and enhancement of habitat for migratory birds, floodway expansion, proximity to other protected wetlands, level of hydrologic conditions restored, and other factors determined appropriate for wetlands restoration within the state.

Landowners ineligible for EWRP may be eligible to enroll in the Wetlands Reserve Program administered by the Agricultural Stabilization and Conservation Service. The next signup period is February 28 through March 11, 1994.

Agricultural producers in the Midwest who suffered losses due to floods and other adverse weather can call USDA's Flood Response Center at 1-800-880-4183 for more information on available assistance.



Release No. 0099.94

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## **AG BUDGET INCLUDES \$1 BILLION IN FUNDING FOR EEP AND FUNDS FOR ADDITIONAL WETLANDS RESERVE PROGRAM PURCHASES**

WASHINGTON, Feb. 7 -- The Administration's proposed 1995 budget for the U.S. Department Agriculture includes \$1 billion in funding for the Export Enhancement Program as well as additional funding for the Wetlands Reserve Program.

The Export Enhancement Program (EEP) is an export tool designed to counter the subsidized sales of agricultural products by other nations. The EEP provides bonuses to exporters of U.S. agricultural commodities to targeted overseas markets and serves to enhance U.S. trade policy strategies and objectives.

Agriculture Secretary Mike Espy has called the EEP a vital tool in retaining agricultural markets, especially as the U.S. and more than 100 other nations propose to reduce subsidies simultaneously under the proposed General Agreement on Tariffs and Trade (GATT) and other trade agreements.

"It's important, as we begin to reduce subsidies worldwide, that the United States continue to stay strong in our efforts to target those agriculture markets where our competitors are engaging in unfair trade practices," Espy said.

Currently, the United States only provides \$1 in agricultural trade subsidies for every \$100 spent by the European nations.

Under an agreement reached in Geneva in December by Espy and his European counterpart, if approved, the GATT would phase down agricultural subsidies over a five year period beginning in 1995.

The budget also proposes to eliminate the Sunflower Oil Assistance Program and the Cottonseed Oil Assistance program, and reduce the Market Promotion Program by \$25 million. Both sunflower and cottonseed oil export subsidies will now be available under the EEP program.

Further, the 1995 budget includes \$241 million to enroll 300,000 new acres in the Wetlands Reserve Program, a program authorized by the 1990 Farm Bill which allows producers to enroll farmed or converted wetlands in exchange for long-term or permanent easements. Since 1992, nearly 50,000 acres have been enrolled in the WRP and an additional 75,000 acres are expected to be enrolled in February.

The Emergency Wetlands Reserve Program, a popular alternative to levy repair in the flood inundated upper midwest, will also be able to receive additional acres. The 1994 supplemental request will continue the authorization to enroll additional acreage into the program.

In the first signup for the program, held in December of 1993, approximately 44,000 acres were offered by producers for the EWRP, of which USDA hopes to enroll 25,000 acres. Returning wetlands to the Mississippi and Missouri River basins are a natural way of controlling flooding and is less expensive in the long run than rebuilding levees, the majority of which were breached during this year's historic flood.



Release No. 0100.94  
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## **AGRICULTURE BUDGET PROPOSES MAJOR REFORMS TO THE NATION'S CROP INSURANCE SYSTEM**

WASHINGTON, Feb. 7--The Administration's proposed 1995 budget for the Department of Agriculture includes a major reform of the nation's crop insurance system, which is expected to save approximately \$750 million over a five year period.

The proposal is designed to replace the current crop insurance system, which has been criticized for being inadequate and too expensive. The current system has limited participation and encouraged farmers to become dependent on ad hoc Congressional disaster relief appropriations.

"We need a crop insurance system that will increase participation and one that will become the primary source of disaster relief for producers," said Agriculture Secretary Mike Espy.

"This year's flood demonstrated over and over again that it is time to create a single crop protection system that works. Right now we have a crop insurance program and Congressional disaster appropriations, both of which are too expensive and self-defeating."

Under the Clinton Administration's proposal, prevented and delayed planting coverage would become a standard feature of all policies. This year, many producers who could not plant a crop because of flooding or excessive rainfall, but had paid insurance premiums for years, could not receive crop insurance payments because the policies only covered them if they had planted a crop.

Legislation will be proposed this year that will provide producers with basic level of insurance based on 50 percent of normal yield with eligible losses reimbursed at 60 percent of the expected price for the crop. All producers participating in the farm program would be required to obtain the coverage which will be available for a \$50 processing fee per policy, and higher levels of insurance coverage will be available through private insurance companies.

Also under the proposal, disaster payment assistance would be provided where crop insurance was not available but only when area-wide production fell below 65 percent of normal production. In addition, Espy said that he and others will be working with Congress to put into place additional provisions which will reduce the likelihood of ad hoc Congressional disaster assistance being made available to producers.

The 1995 budget also includes the Clinton Administration's proposed reorganization of the Department of Agriculture. Under the proposal the number of USDA agencies would be reduced from 43 to 29, more than 1,100 county offices would be closed or consolidated and more than 7,500 federal employee positions would be eliminated.

The reorganization is expected to save \$1.4 billion in personnel costs and over \$1 billion in administrative costs over the 1994 to 1998 period. The 1995 budget includes over \$366 million in savings due to this plan.

The USDA reorganization proposal has had hearings in both the House and the Senate. A House Agriculture subcommittee is scheduled to mark-up the reorganization legislation on Tuesday, Feb. 8.



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## **MEAT AND POULTRY INSPECTION SYSTEM GETS BOOST IN 1995 BUDGET PLAN**

WASHINGTON, Feb. 7 -- President Clinton's 1995 budget plan increases funding for improving the nation's meat and poultry inspection system, including an additional \$7.7 million for 200 more inspectors and an additional \$25.6 million for the pathogen reduction strategy and research.



"Our commitment to improve the nation's meat and poultry inspection system remains a top priority at USDA," said Agriculture Secretary Mike Espy. "Our budget proposal shows an emphasis on research to bring the system into the next century, as well as a focus to improve what is already in place as we make these changes."

In fiscal year 1994, Espy hired an additional 200 inspectors and again in fiscal year 1995 he is proposing to hire another 200 inspectors. An additional \$7.7 million has been proposed in the budget to hire and train the new inspectors.

In fiscal year 1994, Congress approved the Administration's request for an additional \$8 million for pathogen reduction and in fiscal year 1995, the Administration is requesting an additional \$25.8 million. The additional funds for pathogen reduction will be targeted at improving the system from the farm to the table. The Food Safety and Inspection Service would receive \$14.0 million; the Animal and Plant Health Inspection Service, \$5.7 million; the Economic Research Service, .7 million; and the Agricultural Research and Education Service, \$34.3 million, an additional \$14.1 million from this research agency alone.

Overall, the Administration's budget boosts the budget for the Food Safety and Inspection Service from \$585.8 million to \$605.2 million; however, an increase in the budgets of other agencies will be dedicated to the meat and poultry inspection system and proposed users fees will help keep costs down for the taxpayer. The Administration proposes collecting 100 percent of the cost of providing inspection service beyond a primary approved shift. In fiscal year 1994, users fees are estimated at \$69.1 million. In the fiscal year 1995 budget, the Administration proposes to collect \$174 million.

Some of the additional funding in the FSIS budget will be used to expand microbiological monitoring for baseline studies; to evaluate new slaughter and processing operations that have the potential to reduce microbiological contamination; to broaden consumer education; and to train inspectors in Hazard Analysis and Critical Control Point concepts.

The Administration's proposed 1995 budget comes after one year of an intense focus by the USDA to implement several improvements to the meat and poultry inspection system. Some of the improvements have included special unannounced reviews of meat and poultry plants around the nation, which have resulted in stopping operations at several plants; mandating and improving training on zero tolerance for fecal matter in meat plants; and increased research from the farm to the table to develop methods to detect and destroy pathogens. In addition, Espy has moved to mandate safe cooking and handling labels for all raw meat and poultry products. The label was set to be mandated on Oct. 15, 1993, but a lawsuit filed by four industry plaintiffs temporarily slowed down implementation of the label rule. A final rule on the safe cooking and handling label is expected to be published soon.



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## **USDA FOOD ASSISTANCE PROGRAMS GET BOOST IN 1995 BUDGET PROPOSAL**

WASHINGTON, Feb. 7 -- More needy women, infants and children will be provided with nutritional assistance, health screening and counseling under President Clinton's FY 1995 budget request for the Department of Agriculture's Food and Nutrition Service.

The Special Supplemental Food Program for Women, Infants and Children (WIC), as well as the Food Stamp Program, will see increases, Agriculture Secretary Mike Espy said today, while nutrition education and training will be broadly expanded under the Child Nutrition Programs.

"The Clinton Administration is committed to providing continued support for these programs that work to improve the health of America's neediest citizens," Espy said. "This commitment is reflected in the President's 1995 budget proposal."

"We're one step away from fully funding the WIC program," said Ellen Haas, Assistant Secretary for Food and Consumer Services, who oversees the department's food assistance programs. "An additional 700,000 needy women, infants and children will be served under this budget request."

Haas also noted that the budget anticipates increased emphasis on integrating nutrition into the agency's programs. "USDA's food assistance programs provide help for some 40 million needy Americans," said Haas. "Good nutrition is a key preventive health measure, and USDA has made nutrition a top priority as part of the Administration goal of improving the health of all Americans."

The proposal calls for increased spending levels of nearly \$2 billion for USDA's food assistance programs. It anticipates spending levels of \$38.3 billion for the food programs in Fiscal Year 1995, up from \$36.5 billion in FY 1994. Included are:

--\$3.7 billion for the Special Supplemental Food Program for Women, Infants and Children (WIC), up from \$3.3 billion in 1994. The increase will allow WIC to serve 7.2 million people in 1995 (up from 6.5 million in 1994), and takes the program one step closer to fulfilling President Clinton's commitment to fully fund the program.

--\$25.2 billion for the Food Stamp Program, up from \$24.2 billion in 1994. The request supports continued expansion of electronic benefits transfer (EBT), which allows food stamp recipients to use a plastic card similar to an ATM card to pay for their food purchases, and anticipates some program expansion, as mandated in the Mickey Leland legislation enacted last year.

--More than \$31 million to establish and improve nutrition education and training programs in the Child Nutrition Programs, and to help schools comply with the recommendations of the Dietary Guidelines for Americans. That compares to a total of \$12.4 million in 1994.



Release No. 0104.94

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## **USDA SEEKS COMMENTS ON PROPOSED AMENDMENTS TO DAIRY PROMOTION AND RESEARCH ORDER**

WASHINGTON, Feb. 7--The U.S. Department of Agriculture is asking the public to comment on a proposal to change the composition of the National Dairy Promotion and Research Board.

Lon Hatamiya, administrator of USDA's Agricultural Marketing Service, said the proposal would shift a board seat to Region 4 (Arkansas, Kansas, New Mexico, Oklahoma and Texas) from Region 8 (Alabama, Kentucky, Louisiana, Mississippi and Tennessee). The 36-member board of dairy farmers is proposing the shift to reflect changes in milk production, he said. By law, board representation must reflect national milk production patterns.

The National Dairy Promotion and Research Board was established under the Dairy and Tobacco Adjustment Act of 1983 to develop and administer a coordinated program of promotion, research and nutrition education. The board is appointed by the secretary of agriculture and designs programs to strengthen the dairy industry's position in domestic and foreign markets.

The program is financed by a mandatory 15-cent-per-hundredweight assessment on all milk marketed commercially by dairy producers in the contiguous 48 states.

The proposal was published in the Jan. 31 Federal Register. Comments, postmarked no later than Mar. 2, may be sent to the Dairy Division, AMS, USDA, Room 2698-S, P.O. Box 96456, Washington, D.C. 20090-6456.





Release No. 0105.94  
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## ESPY APPOINTS NATIONAL PORK PRODUCERS DELEGATE BODY

WASHINGTON, Feb. 8.--Secretary of Agriculture Mike Espy today announced the appointment of 164 pork producers and six importers to the 1994 National Pork Producers Delegate Body. Appointees will serve a 1-year term.

Established under the Pork Promotion, Research and Consumer Information Act of 1985, the delegate body and National Pork Board have implemented a national program designed to improve the pork industry's position in the marketplace. The program is funded by a mandatory assessment currently set at 0.35 percent of the market value of each hog sold in the United States. An equivalent amount is assessed on imported hogs, pork and pork products. Assessments began Nov. 1, 1986.

Delegates meet annually to recommend the rate of assessment, determine the percentage of assessments that will go to state associations and nominate producers and importers to the 15-member National Pork Board.

Representation on the delegate body is based on annual net assessments collected on sales of domestic hogs within individual states, with a minimum of two producers from each state. States have the option of not submitting nominees. Vermont did not submit nominees this year. Importer representation is based on assessments on imported pork and pork products.

The delegates were selected from nominees submitted by state pork producer associations and importer groups.

Pork producers appointed, by state, are:

ALABAMA--Jimmy M. Bagwell, Bernard D. Williams; ALASKA--Bryce H. Wrigley, Robert J. Marcisak; ARIZONA--Edward J. Stressman, Lawrence W. Beck; ARKANSAS--Hugh G. Dorminy, Thomas C. Johnson;

CALIFORNIA--John R. Bailey, Scott A. Williamson; COLORADO--Jerrold S. Jorritsma, Margaret M. Schneider; CONNECTICUT--Alison B. Trojanoski, Karol R. Trojanoski Jr.; DELAWARE--Roger R. Swartzentruber, Arthur D. Kauffman;

FLORIDA--Donald L. Bradfield, Gregory L. Hall; GEORGIA--Walter L. Young Jr., John L. Walters, Randall G. Strange; HAWAII--Harry H.Y. Choy, Wayne I. Shimokawa; IDAHO--John L. Peters, David D. Roper;

ILLINOIS--Charles R. Baum III; Roger I. Brown, Dennis C. Clark, Jerry D. King, Donna L. Reifschneider, Paul E. Lewis; Lawrence R. Butcher; David L. Flack, James C. Reifschneider, Richard D. Wildman; INDIANA--John D. Hardin Jr., Danita S. Rodibaugh, Larry S. White, Bradley D. Burton, Gordon D. Smiley, Harold K. Berry, Mark W. Townsend, Charles M. Lemmon;

IOWA--Kenneth K. Kroger, Rodney G. Dykstra, Jon D. Caspers, Norman R. Schmitt, James H. Koch, Julianne M. Wisecup, Samuel J. Carney, Brent A. Halling, Randy D. Hilleman, Joseph M. Junk, LeRoy F. Stoltenberg, Donald F. Morse, Verle L. McGraw, Helen L. Smith, Roger M. Altenhofen, Tim L. Kapucian, Gerald F. Becker, James L. Ledger, Thomas J. Floy, Craig L. Olson, Delores J. Kenney, Joseph L. Fahn, JoAnn M. Alumbaugh;

KANSAS--Tim Rose, Sharon J. Schwartz, Roy J. Henry, Gregory W. Roberts; KENTUCKY --Robert H. Dunagan, Glen C. Massengale, Michael J. Finney; LOUISIANA--Robert L. Fletcher Jr., John R. Brian; MAINE--Warren K. Grass, Raymond M. Little; MARYLAND--Gerald J. Ditto, Franklin E. Feeser; MASSACHUSETTS--Matthew J. Parsons;

MICHIGAN--Charles A. Brink, James P. Clover, Dennis K. Wooden; MINNESOTA--Gregory P. Boerboom, Donald L. Buhl, Lynn M. Green, Karen J. Helvig, Marlin P. Pankratz, James S. Quackenbush, Mary Jo Ann Schoenfeld, Jacob D. Storm, Francis P. Van Wazer III;

MISSISSIPPI--Robert D. Edgar, Rice H. Maddox; MISSOURI--David M. Bentley, W. Tim Grider, James H. Loethen, Karen M. McBride, J. Steve Price, Rick E. Rehmeier; MONTANA--Duane G. Braaten, James J. Drga; NEBRASKA--David A. Hilgenkamp, Daniel T. Hodges, Dennis L. Beethe, Ardith J. Epp, Kent L. Gansebom, Elwyn R. Fitzke, Wilma D. Baumert;

NEVADA--Phyllis A. Pursel, Robert R. Pelster; NEW HAMPSHIRE--Ruth B. Ayer, Richard G. Butler; NEW JERSEY--Kenneth C. Allen, Wallace H. Bradway; NEW MEXICO--Ted D. Merrill; NEW YORK--Charles R. Miller, Kurt M. Forman;

NORTH CAROLINA--James C. Pollock, Joan B. Cornelius, Allan L. Baucom, Milton J. Humphrey, Randall D. Stoecker, Lyndall C. Thornton, Miriam N. Lewis; NORTH DAKOTA--Brenda L. Novodvorsky, Mary J. Engst; OHIO--William R. Brown, Michael L. Bayes, Kenneth J. Ernst, Thomas V. Pitstick; OKLAHOMA--Lester D. Pyle, Jerome W. McDonald; OREGON--Stanley E. Gourley, Lorene J. Gourley;

PENNSYLVANIA--Herbert K. Schick, Ann M. Arnold, David G. Heckel Jr.; RHODE ISLAND--Kenneth L. Andrews, John Moniz; SOUTH CAROLINA--William F. Strickland, Charles L. Shuler; SOUTH DAKOTA--Donald D. Benson, Leon R. Kruse, Michael M. Olson, Marsha M. Sumpter;

TENNESSEE--Mark E. Smith, Jerry P. Hooker, Linda S. Phillips; TEXAS--James E. Koenig, Thomas E. Higley; UTAH--David E. Stevens, Bruce B. Roper; VIRGINIA--Donald H. Horsley, Thomas J. Jennings; WASHINGTON--Donald A. VanTine, Mark A. Street; WEST VIRGINIA--Samuel J. Donley Jr., Mitchell A. Newlon; WISCONSIN--Howard C. Richards, Stanley D. Jones, Janice K. Steinback; WYOMING--Nicholas P. Schroeder, Mona P. Doering;

Importers appointed to the Delegate Body are:

Henry Greenebaum (New York), Ole Nielsen, (New Jersey), Robert S. Gellert (New Jersey), Benjamin S. Warren (Texas), Henning A. Bruun (California) and David E. Biltchik (Washington, DC)



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## **USDA AND OSHA SIGN AGREEMENT TO IMPROVE REPORTING OF SERIOUS WORKPLACE HAZARDS IN MEAT AND POULTRY PLANTS**

WASHINGTON, Feb. 8--The U.S. Department of Agriculture announced today that it has signed an agreement with the U.S. Department of Labor's Occupational Safety and Health Administration to improve the reporting of serious workplace hazards in meat and poultry plants.

"We are concerned not only about the well-being of our inspectors who provide day-to-day services to ensure the safety and wholesomeness of meat and poultry, but also that our employees are properly trained to recognize hazards in the workplace that could result in serious physical harm or death," said Secretary of Agriculture Mike Espy.

Espy said that the completion of an agreement with OSHA on the issue of plant safety was one of his priorities for his first year as secretary.

The memorandum of understanding (MOU) signed today strengthens employee safety training as well as procedures for reporting serious workplace hazards in federal meat and poultry plants to OSHA, the agency responsible for ensuring safe and healthful working conditions for employees and for providing training in occupational health and safety.

USDA has been working with OSHA since a September 1991 fire in a Hamlet, N.C., poultry plant to replace a May 1982 MOU agreement and to strengthen reporting procedures for serious workplace hazards. About 25 plant employees died in that North Carolina fire.

Under the MOU, inspectors in USDA's Food Safety and Inspection Service will report serious hazards affecting agency and plant employees to agency management. FSIS management personnel will then refer the hazards to OSHA and notify the plant manager of the referral. OSHA will investigate the complaint and ensure that federal workplace safety and health standards are followed.

"This agreement will help to ensure that tragedies like we saw in Hamlet, N.C., don't happen again," Espy said.

FSIS plans to upgrade its safety training to include new topics such as OSHA's statutory authority and enforcement program as it applies to the meat and poultry industry; serious workplace hazards frequently cited by OSHA in meat and poultry facilities; workplace fire safety



standards; and procedures for notifying FSIS management officials of serious workplace hazards to which plant employees are exposed.

The agency will also propose that States with their own meat and poultry inspection programs implement policies and procedures consistent with those outlined in the agreement.

In addition, FSIS will continue current efforts to improve employee safety. Every October, inspectors-in-charge in plants must check the accuracy of occupant emergency plans, which include escape procedures to ensure safety. The agency periodically sends workplace safety reminders to its employees.

FSIS has developed a Safety and Health Steering Committee to address safety and health concerns of inspection personnel and a Safety and Health Wellness Training Program to help employees manage physical and mental stress in the workplace.



Release No. 0108.94

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#### **USDA/HACU LEADERSHIP GROUP TO MEET IN MIAMI**

WASHINGTON, Feb. 8--The U.S. Department of Agriculture and the Hispanic Association of Colleges and Universities (HACU) Leadership Group will hold their first quarterly meeting of the year Feb. 23-24 in Miami, Fla.

The theme for the meeting, "Promoting Partnership Ventures Between USDA and Hispanic Serving Institutions (HSI's)," promotes the spirit and letter of a Memorandum of Understanding signed by Secretary Mike Espy with HACU last June. The MOU commits USDA to provide institutional support for HACU schools, with emphasis on the development of programs to increase employment in USDA for students of HACU member institutions.

"The success of the USDA/HACU Leadership Group is crucial to our efforts to achieve USDA's workforce diversity goals," said Wardell Townsend, USDA assistant secretary for administration and the department's equal employment opportunity officer. "We must promote increased awareness among minorities about the diverse career opportunities available in agriculture.

The meetings will be on Wolfson Campus, Miami-Dade Community College.



Release No. 0109.94

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#### **SCIENTISTS AT USDA LAB GENE-ENGINEER BARLEY**

WASHINGTON, Feb. 9--Barley has been given new genes--including one that may ward off one of the crop's worst virus diseases--by University of California scientists who did the work at a U.S. Department of Agriculture laboratory in California.

Scientists worldwide have been attempting to bioengineer barley for more than five years, said Peggy G. Lemaux of the University of California at Berkeley Department of Plant Biology. Now, she and colleague Yuechun Wan have published the first report of a successful technique in the January issue of "Plant Physiology."

The new technique, said Lemaux, paves the way for inserting other useful genes so barley can fend off diseases, yield more nutritious kernels or thrive in harsh climates or salty soils.

Lemaux and Wan, both UC plant biologists, developed the technique at the Plant Gene Expression Center in Albany, Calif. It is operated by USDA's Agricultural Research Service cooperatively with the university and the California Agricultural Experiment Station.

ARS researchers will coordinate the first outdoor tests for the barley this spring--in California, Idaho and Illinois--pending federal and state approvals.

America's barley harvest, worth about \$831 million to growers, is used in this country for brewing and distilling, making soups, breakfast cereals and other foods and as livestock feed.

Coors Brewing Company, Golden, Col., funded part of the research through a Cooperative Research and Development Agreement.

Lemaux and Wan used a high-velocity "gene gun" to propel new genes into barley embryos, obtaining seed-bearing plants whose offspring inherited the new genes. Slicing the barley embryos in half before bombarding them may have been one of the keys to the Albany team's success, Lemaux said.

The gene gun isn't new, but "we perfected a fast and reliable technique for using it, producing more than 500 healthy, genetically engineered barley plants," said Lemaux. Other scientists have used a gene gun and plant embryos to bioengineer other cereals such as wheat and rice.

A story about barley and other gene engineering work at the Albany center appears in the latest issue of ARS' magazine, "Agricultural Research."

Virologists Steven Wyatt at Washington State University, Pullman, Wash., and Richard Lister, Purdue University, Lafayette, Ind., provided the experimental genes that may enable barley plants to resist barley yellow dwarf virus.

The virus causes a disease that weakens plants, lowers yields and ranks among barley's five worst disease enemies. Growers' options include using insecticide sprays on aphids that spread the virus through fields, or planting conventionally bred barley varieties that have some resistance.

The proposed outdoor tests are designed to see whether the gene-engineered barley can ward off the virus more effectively than conventional barley.

"The conventional resistance source is a gene known as Yd2," said Phil Bregitzer, an ARS research geneticist who will coordinate the outdoor tests. "But Yd2 offers only partial protection," he said.

Depending upon the outcome of this summer's experiments, Bregitzer may later cross Yd2-containing plants with the genetically engineered barley to see if the resulting offspring have even better virus resistance than either parent alone. "In a best-case scenario, barley growers may be able to buy bioengineered barley seed within 10 years," said Bregitzer, with the ARS National Small Grains Germplasm Research Facility, Aberdeen, Idaho.

The 1993 U.S. harvest yielded about 415 million bushels. About 80 million bushels were exported. Exports are chiefly to the Middle East and nations formerly part of the Soviet Union.

North Dakota is the number one barley-producing state, accounting for about one-third of the crop, followed by Montana, Idaho, Minnesota and Washington.

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**NOTE TO EDITOR:** For details, contact Peggy G. Lemaux, plant biologist, Plant Gene Expression Center, USDA Agricultural Research Service/University of California, Albany, Calif. 94710, and University of California Department of Plant Biology, Berkeley, Calif. 94720, phone (510) 642-1589.

For black-and-white prints, contact Photography Division, USDA Office of Public Affairs, Rm. 4404-S, Washington, D.C. 20250, phone (202) 720-6633, and ask for negative number 94-BW0779. For color slides of this and other images, contact Anita Daniels, USDA-ARS Photo Unit, 6303 Ivy Lane, Room 460, Greenbelt, Md. 20770, phone (301) 344-2002.

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Release No. 0112.94  
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## **USDA INCREASES DAIRY PRODUCT GRADING AND INSPECTION FEES**

WASHINGTON, Feb. 9 -- The U.S. Department of Agriculture is increasing certain fees for its "voluntary" (i.e., industry solicited) grading and inspection services funded by the dairy industry effective today, Feb. 9.

Lon Hatamiya, administrator of USDA's Agricultural Marketing Service, said the increases reflect increased operating costs.

The fee increases are:

--From \$44.60 per hour to \$47.20 per hour for intermittent grading and inspection services, with additional travel and per diem costs continuing to be charged; and

--From \$39.60 per hour to \$42.20 per hour for "continuous" resident grading and inspection, i.e., for a grader-inspector permanently assigned to a plant.

The dairy grading program, like other voluntary commodity grading programs, is user-fee funded and must balance its fee income against its costs, Hatamiya said.

The fee increases were published as a final rule in the Feb. 9 Federal Register. Copies may be obtained from the Dairy Grading Branch, Dairy Division, AMS, USDA, Rm. 2750-S, P.O. Box 96456, Washington, D.C. 20090-6456, telephone (202) 720-3171.



## **Program Announcements-**

Release No. 0081.94  
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### **CCC INTEREST RATE FOR FEBRUARY REMAINS AT 3-5/8 PERCENT**

WASHINGTON, Feb. 1--Commodity loans distributed in February by the U.S. Department of Agriculture's Commodity Credit Corporation will carry a 3-5/8 percent interest rate, according to Grant Buntrock, executive vice president of the CCC.

The 3-5/8 percent interest rate is the same as January's 3-5/8 percent



Release No. 0082.94  
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### **USDA RELEASES SWEETENER MARKET DATA REPORT FOR NOVEMBER 1993**

WASHINGTON, Feb. 1--The U.S. Department of Agriculture's Commodity Credit Corporation today released its Sweetener Market Data report for November 1993.

Report totals, in short tons (2000 pounds) include:

--Nov. 1, 1993 beginning sugar stocks - 2,049,458.

--U.S. beet sugar production for Nov. 1993 - 679,665.

--U.S. cane sugar production for Nov. 1993 - 795,256.

--Deliveries for Nov. 1993 - 752,608, including deliveries for domestic human consumption - 743,652.

--Nov. 30, 1993 ending sugar stocks - 2,774,126.

Copies of the Sweetener Market Data report for November 1993 data are available from the Sweeteners Analysis Division, ASCS/USDA, Room 3727-S, POBox 2415, Washington, DC 20013; telephone (202) 720-3391; Fax (202) 720-8261.



**USDA ANNOUNCES 1994-CROP BURLEY TOBACCO PROGRAM**

WASHINGTON, Feb. 1--The U.S. Department of Agriculture today announced the following provisions for the 1994 burley tobacco program.

The national marketing quota for the 1994 crop is 542.7 million pounds, down 10 percent from 1993, according to Grant Buntrock, administrator of USDA's Agricultural Stabilization and Conservation Service. USDA is required to announce no later than Feb. 1 the quota for the 1994 marketing year which begins Oct. 1.

The Agricultural Adjustment Act of 1938, as amended, requires the national marketing quota for burley tobacco to be equal, within a range of 3 percent, to the total of domestic manufacturers' purchase intentions, exports of burley tobacco (3-year average), and an adjustment to maintain loan stocks at a prescribed level. The total of the three factors equals 342.8 million pounds, 43 percent below last year's quota. However, the statute also requires that the 1994 quota cannot be less than 90 percent of the 1993 quota, which was 603.0 million pounds. Therefore, the national marketing quota for the 1994 crop of burley tobacco will be 542.7 million pounds.

The support level for the 1994 crop is \$1.714 per pound, up 3.1 cents from 1993.

For each farm, the 1994 basic quota will be 10 percent below the 1993 level.

The effective quota for 1994, because of adjustments to individual farm quotas for undermarketings in previous years, is expected to be about 613 million pounds, or about 105 million pounds below the 1993 level.

The statutory marketing assessment will be 0.8570 cents per pound on both growers and buyers, for a total of 1.714 cents per pound for the 1994 crop of burley tobacco.

The no-net-cost program assessment will be announced later.

In a February 1992 referendum, producers approved poundage quotas for the 1992 through 1994 crops.



Release No. 0084.94  
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**USDA ANNOUNCES 1993-CROP CONTRACTED PEANUT POUNDAGE**

WASHINGTON, Feb. 1--The U.S. Department of Agriculture's Commodity Credit Corporation today released figures that show the quantity of additional peanuts purchased under contracts for the 1993 crop was 2,036,538,679 pounds, or 1,018,269 short tons. These figures represent nonquota peanuts contracted for export or crushing.

The final quantity of peanuts delivered under these contracts will depend upon actual peanut production and the terms under which handlers and producers have agreed to deliver contract additional peanuts for export or crushing.

By growing area, the quantities for the 1993 crop and comparisons for 1992 follow:

Area/Association	Pounds Contracted		Short Tons Contracted	
	1992	1993	1992	1993
Southeast.....	856,137,106	1,305,885,586	428,069	652,943
Southwest.....	825,003,750	533,803,686	412,502	266,902
Virginia-Carolina.	149,346,286	196,849,407	74,673	98,424
U.S. total.....	1,830,487,142	2,036,538,679	915,244	1,018,269



Release No. 0111.94

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**FIRST OFFENSE VIOLATIONS OF U.S GRAIN STANDARDS ACT MAY NOW BE FELONIES**

WASHINGTON, Feb. 9--First offenses which are serious violations under the U.S. Grain Standards Act may now be prosecuted as felonies, rather than misdemeanors, a U.S. Department of Agriculture official reported today.

According to David Gallart, acting administrator of USDA's Federal Grain Inspection Service, the change results from reauthorization legislation enacted Nov. 24, 1993.

Gallart said that this significant amendment gives FGIS the means to effectively address severe violations of the Act.

Violations of the Act include exporting grain without obtaining official inspection or weighing, altering official samples or certificates, filing false load order factors or grades, loading grain to deceive official personnel, and causing or attempting to cause, by any means, a false or incorrect certificate.

Misweighing and adding foreign material to grain also are violations of the Act, whether or not official services are provided.

The amendment does not reflect a change in FGIS's policy regarding the use of administrative remedies to deter violations of the Act. Civil penalties may be assessed in lieu of, or in addition to, criminal penalties.



Release No. 0114.94

Minnie Tom Meyer (202) 720-6734

**USDA ANNOUNCES PREVAILING WORLD MARKET PRICE AND USER MARKETING CERTIFICATE PAYMENT RATE FOR UPLAND COTTON**

WASHINGTON, Feb. 10--Randy Weber, acting executive vice president of USDA's Commodity Credit Corporation, today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price or AWP), for Strict Low Middling (SLM) 1-1/16 inch (leaf grade 4, micronaire 3.5-3.6 and 4.3-4.9, strength 24-25 grams per tex) upland cotton (base quality), and the coarse count adjustment (CCA) in effect from 5:00 p.m. today through 3:59 p.m. Thursday, Feb. 17. The user marketing certificate payment rate announced today is in effect from 12:01 a.m. Friday, Feb. 11 through midnight Thursday, Feb. 17.

The Agricultural Act of 1949, as amended, provides that the AWP may be further adjusted if: (a) the AWP is less than 115 percent of the current crop year loan rate for base quality upland cotton, and (b) the Friday through Thursday average price quotation for the lowest-priced U.S. growth as quoted for Middling (M) 1-3/32 inch cotton, C.I.F. northern Europe (USNE price) exceeds the Northern Europe (NE) price. Because this week's calculated AWP is equal to 127 percent of the 1993 upland cotton base quality loan rate, a further adjustment cannot be made.

This week's AWP and coarse count adjustment are determined as follows:

Adjusted World Price

NE Price ..... 80.03

## Adjustments:

Avg. U.S. spot market location ..... 11.91

SLM 1-1/16 inch cotton ..... 1.50

Avg. U.S. location ..... 0.31

Sum of Adjustments ..... - 13.72

ADJUSTED WORLD PRICE ..... 66.31 cents/lb.



Coarse Count Adjustment

COARSE COUNT ADJUSTMENT ..... 0.13 cents/lb.

The Northern Europe Coarse Count Price cannot be calculated because quotes for at least three growths are not available for at least three days of the Friday through Thursday week ending February 10. Therefore, in accordance with regulation, the CCA for the latest available week shall continue to be applicable. This week's CCA is 0.13 cents per pound, the same as was announced on Jan. 20, 1994.

Because the AWP is above 52.35 cents per pound--the base quality loan rate for both the 1992 and 1993 marketing years--the loan repayment rate during this period is equal to the loan rate, adjusted for the specific quality and location plus applicable interest and storage charges. The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Because the AWP is above the 1993-crop loan rate, loan deficiency payments are not available during this period.

The USNE price has exceeded the NE price by more than 1.25 cents per pound for four consecutive weeks and the AWP has not exceeded 130 percent of the 1993 crop year base quality loan rate in any week of the 4-week period. As a result, the user marketing certificate payment rate is 0.37 cents per pound. This rate is applicable during the Friday through Thursday period for bales opened by domestic users and for cotton contracts entered into by exporters for delivery prior to Sept. 30, 1994. Relevant data are summarized below:

Week	For the Friday through Thursday Period Ending	USNE Price .....	NE Price cents/lb	User Marketing Certificate Payment Rate .....
1	Jan. 20, 1994	72.75	69.05	2.45
2	Jan. 27, 1994	76.20	72.84	2.11
3	Feb. 3, 1994	79.85	77.49	1.11
4	Feb. 10, 1994	81.65	80.03	0.37

Next week's AWP, CCA and user marketing certificate payment rate will be announced on Thursday, Feb. 17, at 5 p.m.



## Features-

Release No. 0088.94

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### SIX-FOOT SOYBEAN PLANTS COULD BECOME SUPERIOR DAIRY FORAGE

WASHINGTON, Feb. 3--Soybean plants that grow 6 to 7 feet tall--twice the height of varieties grown for grain--could become popular as a sustainable-farming feed for dairy cows, said a U.S. Department of Agriculture scientist.

"A plant breeder has to be able to see crops not just as they are but as they can be," said Thomas Devine at USDA's Agricultural Research Service in Beltsville, Md.

He said his tall but sturdy experimental plants, bred from long-neglected hay-type soybeans, "open the way to a new dairy silage for sustainable farming systems. I think they'll find a useful niche especially in the mid-Atlantic region."



Basically, silage is plant material--mainly leaves and stems--that is "pickled" by natural microorganisms to yield long-lasting, nutritious feed, said Devine, a geneticist at ARS's Plant Molecular Biology Laboratory.

Devine will begin testing a few of the best experimental lines for silage yield and nutrient value in Iowa, Pennsylvania and Virginia this spring. He said soybean silage varieties based on his experimental strains could be available in about 3 years.

"Corn is the number one silage, but soybeans potentially can produce more protein," he said in a story in the latest Agricultural Research magazine.

What's more, soybeans are a legume, which would need less commercial nitrogen fertilizer than corn. "Symbiotic bacteria on soybean roots capture nitrogen from the air," he said, "and the roots slowly release it as they decay. After harvesting soybean silage in summer, a farmer could plant a small grain, like barley or wheat, that would use this 'free' nitrogen."

Devine noted that soybeans first became popular in the U.S. not for their grain, but as a hay crop. Seventy percent of the 1924 soybean harvest was hay. But that dropped to 3 percent by 1964, he said, because "quality was erratic. The plants dried slowly and rain often leached out nutrients."

The few farmers who already grow soybeans for silage have to plant varieties that are bred for their grain production and therefore produce much less foliage.

But in 1976, Devine began crossing a hay soybean with grain types having disease and pest resistance.

The hay type--a vigorous, leafy but little-used strain--was supplied by Virginia Polytechnic Institute and State University. Devine tests the plants in cooperative studies with David Starner of Virginia Tech and Elwood Hatley of The Pennsylvania State University.

Plants grown for silage, Devine noted, are cut, slightly dried, chopped, then enclosed in a chamber such as a bunker. After natural microorganisms use up the chamber's oxygen, other microbes produce lactic acid. That pickles the forage into silage.

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**NOTE TO EDITORS:** Contact for details Thomas Devine, geneticist, Plant Molecular Biology Laboratory, Agricultural Research Service, USDA, Beltsville, Md. 20705. Telephone (301) 504-6375.

Color slides and b/w prints available. For prints, contact the Photography Division, Room 4404-S, Office of Public Affairs, USDA, Washington, D.C. 20250-1300, phone (202) 720-6633. For color slides, contact Anita Daniels, USDA-ARS Photo Unit, 6303 Ivy Lane, Room 460, Greenbelt, Md. 20770, phone (301) 344-2002.

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## HOW TO SAVE FOOD WHEN DISASTER STRIKES

WASHINGTON, Feb. 4 -- Disasters, like accidents, never take a holiday. Just ask the people of Los Angeles who suffered through the recent disastrous earthquake on Martin Luther King's holiday.

Some disasters -- such as a blizzard, flood, heatwave, tornado or hurricane -- strike at certain places and times of the year only.

Other disasters -- a fire or earthquake, for example -- can happen day or night all year-round. In Los Angeles, the earthquake of Jan. 17 occurred while people were sound asleep at 4:31 a.m. Meanwhile, on the East Coast, several major cities experienced significant ice storms with related power outages.

The most likely problem to occur -- whatever the disaster -- is a power outage. That's the time when you want to keep cold air "in" and room temperatures "out" of the refrigerator and freezer.

The first thought, of course, is to save and protect lives. Then efforts can be directed to saving property, including food.

"Many times, food can be saved and protected," according to Susan Conley, Director of the U.S. Department of Agriculture's Meat and Poultry Hotline. The Hotline is a nationwide toll-free service that is just a phone call away when disaster is imminent or has just occurred.

"The best way to lock the cold air in a refrigerator or freezer, of course, is NOT to open the door," says Conley. "Opening the door and checking whether the food is still cold cuts the cold storage time drastically."

A refrigerator should stay cold for several hours or more as long as the door stays closed. A free-standing freezer, if it's fully-loaded, will keep foods frozen for two days and a half-full freezer about one day. Group foods in a half-full freezer quickly. The freezer portion of a refrigerator should keep up to a day if the door stays closed. Or find a friend or relative who may still have power and some extra storage room.

If the power outage is going to last for more than a few days, try to buy some "dry ice" for your freezer from a local ice supplier. It's best to check ahead of time to find out who in your area can provide dry ice in an emergency. Dry ice, however is not recommended for the refrigerator; instead, try to buy some "block ice" from your local ice company. Also check your power company; it may stock dry ice for emergency situations.

Conley warns about handling dry ice. "Don't touch dry ice with your bare hands," she emphasizes, "because its very low temperature can seriously 'burn' your hands. Wear gloves or use tongs since dry ice is minus 216 F."

If the power is going to be out for a long time, you may have to start discarding refrigerated foods (unless you transfer them to the freezer).

If the power is out for longer than two days, some or all of the freezer foods may have to be thrown out as well, unless you bought some dry ice.

But resist the urge to open the refrigerator or freezer door. Once you do, you lose cold air quickly.

Also remember that you can't rely on appearance or odor when trying to decide what foods to discard. Ice crystals are a good indication that the food is still cold enough to be safe. Never taste suspect food! Some foods may look and smell fine but still be dangerous because food poisoning bacteria may be present. "When in doubt, throw it out!" Conley stresses.

But what about other types of disasters? Conley has a few hints:

#### Tornados:

- \* Check foods and discard any containing particles of glass or slivers of other debris.
- \* Discard canned foods with broken seams or that are dented.

#### Floods and hurricanes:

\* Sanitize undamaged canned goods. Mark the contents with indelible ink and then wash cans in a strong detergent solution with a scrub brush. Remove the label since the paper may harbor dangerous bacteria. Soak cans in a solution of two teaspoons of chlorine bleach per quart of room temperature water for 15 minutes, and let them air dry.

\* If you have food in a basement, try to move the food to a higher location in the house before flooding occurs.

\* Discard these foods if they've been exposed to flood waters: Meat, poultry, fish, eggs, fresh produce, opened and unopened jarred food, including home-canned food, and all foods in cardboard boxes, paper, foil, cellophane or cloth.

#### Earthquakes:

\* If you live in an earthquake-prone area, keep some food on hand that does not need refrigeration. Canned, ready-to-eat foods are best.

- \* Keep at least a 3-day supply of food and water at all times.

Fire:

\* Discard food that has been near, or exposed to, a fire, since the heat may cause damage and toxic fumes can contaminate food.

\* Discard food in the refrigerator and freezer since these appliances are not totally air-tight, and fumes may have reached inside.

For more information, call the USDA's Meat and Poultry Hotline, 1-800-535-4555. In the metropolitan Washington, D.C., area, call (202) 720-3333.





